OPEN MEETING AGENDA ITEM

E-01345A-09-0263

ORIGINAL



ARIZONA STATE UNIVERSITY

RECEIVED

2009 AUG 25 P 2: 01

August 25, 2009

AZ GORP COMMISSION DOCKET CONTROL

AUG 25 2009

Ms. Kristin K. Mayes Chairman

Mr. Paul Newman Commissioner

Mr. Gary Pierce Commissioner

Ms. Sandra D. Kennedy Commissioner

Mr. Bob Stump Commissioner

Arizona Corporation Commission Commissioners Wing 1200 West Washington Phoenix, AZ 85007-2996 Arizona Corporation Commission

DOCKETED

Aug 2 5 2009

DOCKETED BY

Dear Chairman Mayes and Commissioners:

The Arizona Corporation Commission is meeting later this week to consider a proposal to increase the Performance-Based Incentives Program to subsidize the implementation of solar energy technology in this state. These incentives are important for the development of the solar energy market in the State of Arizona and are important to Arizona State University (ASU).

As you are probably aware, ASU is installing a substantial amount of renewable solar energy at its campuses. These projects represent in excess of \$50 million of investment by our private sector development partners, and will create jobs that are critical for Arizona's economy. ASU and state taxpayers will also benefit from the energy cost savings that will occur from the favorable cost per kWh rate incorporated in these installations, which is fixed for at least the next 15-20 years.

To date, we have installed nearly 2 MWs of photovoltaic systems on our Tempe campus, and are under contract with our solar developers to install approximately 6.5 MWs of

## Office of the President

Fulton Center 410, 300 E. University Drive PO Box 877705 Tempe, AZ 85287-7705 (480) 965-8972 Fax: (480) 965-0865 www.asu.edu/president additional solar photovoltaics that would only be possible through support of this incentive program. These projects are under contract and were awarded through a competitive bid process. Our solar development partners are nearing design completion and are ready to begin installation as soon as we receive confirmation that incentives are available.

Thank you for considering the impact of these incentives to the State's development of solar energy programs and to ASU's solar projects. The Performance-Based Incentives Program is vital for our short-term and long-term economic health, and for demonstrating that Arizona is on the forefront in renewable energy investments.

Sincerely,

Michael M. Crow

President

MMC:deb